

## Improving Product Quality and Marketing of the Wood Carving Industry in Sukawati Village towards the Export Market

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**ABSTRACT:** Empowerment of small entrepreneurs (MSMEs) is very important, collaboration is the main driver and always synergize. Effectiveness and efficiency are the targets of every entrepreneurs and one of the strategies is cooperation. The aim of this research is to make the production line effective from upstream to downstream of craft making and maximize the understanding of Balinese carving craftsmen community for exporting, where the craftsmen are constrained by information and access to start the export process. The method in this research is qualitative with FGD from planning, mentoring and evaluation. The results of this research were the establishment of collaboration between small entrepreneurs and academics, empowerment resulting in an increase in product output from 5-6 carving products to 9-11 carving products. Carry out online marketing so that you can be known internationally and hold international exhibitions.

**KEYWORD:** Role of Cooperation, Business Empowerment, International Marketing, Wood Carving Industry.

### 1. INTRODUCTION

Creative industry refers to the economic sector that produces products and services based on knowledge, skills and creativity. This industry involves the production, distribution, and utilization of creative content, such as art, design, media, architecture, advertising, film, music, video games, fashion, publishing, and other related sectors. Bali or the Island of Gods is the most popular tourist destination in the world. Bali makes many high-quality crafts, such as paintings, metal crafts, fabric and wood. Wooden crafts in Bali reflect the beauty of traditional carving art and distinctive local wisdom. Balinese wooden crafts are not only decorative items, but also as guardians of cultural and artistic heritage. The skills of Balinese wood craftsmen in processing wood into beautiful works of art create a unique experience for art and culture fans.

Wood craftsmen in Bali have significant export potential due to their expertise in producing high quality wooden products with unique designs and traditional aesthetics. It can be seen from table 1 that Bali's export trade balance will increase at the end of 2022. The export potential of wood craftsmen in Bali not only includes economic benefits but also brings a positive image of Balinese culture and traditional arts to the global market. With the right marketing strategy, wood craftsmen can take advantage of this opportunity to expand the reach and sustainability of their business.

**Table 1. Bali 's Export Trade Balance in 2022**

Foreign Trdes Indicators	Export	Import	Balance of Trade
January	43.728.200	2.110.990	41.617.210
February	45.359.375	1.858.602	43.500.775
March	51.903.955	4.659.238	47.244.717
April	60.546.072	3.381.631	57.164.441
Mey	47.721.861	6.268.119	41.453.742
June	49.892.674	10.560.978	39.331.696
July	50.806.660	8.366.211	41.765.759
August	50.806.660	8.642.616	42.164.044
September	55.219.531	10.708.467	44.511.064
October	52.843.361	9.446.958	43.396.403
November	52.678.606	8.513.774	44.164.832
December	56.43.364	8.180.356	47.963.008
year	616.975.629	82.697.940	534.277.689

Source: Bali Central Statistics (2022)

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Bali consists of eight districts, each district has its own revenue sector consisting of Badung, Gianyar, Buleleng, Jembrana, Klungkung, Bangli, Karangasem and Tabanan. There are several Entrepreneur groups of wood craftsmen in the form of Balinese carvings in the Batubulan Kangin area, one of which is a self-supporting Entrepreneur group initiated by I Wayan Andika under the name of *Anjatta*. The Anjatta group is a group consisting of 6 Balinese carvers. The aim of this independent business group being established is to improve the economy of fellow young carvers, empower their potential and utilize the economic potential of exports of wooden craft which will continue to increase in the future. This high export opportunity is not without obstacles, there are quite a lot of problems faced by this entrepreneur group, including a lack of ability to manage production input and output, a lack of production support facilities and a lack of knowledge regarding export procedures and bookkeeping. To be able to optimally empower the Anjatta self-supporting Entrepreneur group, the faced problems must be resolved first.

Based on the results of observations carried out with the management of Batubulan Kangin Village, Sukawati District, several problems can be formulated as follows:

1. Lack of effectiveness of the production line from upstream to downstream of craft making.
2. There is a lack of understanding from the group of Balinese carver to export, where they are hampered by information and access to start the export process.

## **2. LITERATURE REVIEW**

### **2.1 Empowering MSMEs with Collaboration**

Micro, Small and Medium Enterprises (MSMEs) are business activities that can expand employment opportunities and play an important role in the process of equalizing and increasing people's income, encouraging economic growth and realizing national economic stability. According to (Miraza, *et.al.*, 2020) MSMEs are defined as stand-alone productive business units, which are carried out by individuals or business entities in all economic sectors, including the trade, processing, agriculture, plantations, livestock, fisheries and services sectors. So that these economic activities or activities will be the driving force for Indonesia's development in the fields of industry, manufacturing, agribusiness, agriculture and also human resources (Saleh, *et.al.*, 2020).

One form of empowerment is realized by helping MSMEs build and expand business networks with related parties, including industrial partners, financial institutions and suppliers. Relationships built in collaboration encourage the formation of mutually beneficial strategic partnerships for mutual growth. (Upadhyay & Kundu., 2020) organize joint training programs with partners to improve MSME skills and knowledge. (Fatimah, *et.al.*, 2021) MSMEs generally have net worth below IDR 300 million per year. The need for empowerment is partly due to a lack of financial knowledge, in general MSMEs do not have a bookkeeping system, have difficulty expanding their business scale, and still have limited capital. For example, small industries, cooperatives, minimarkets, department stores, and so on. Collaboration in CSR programs to support the sustainability and social responsibility of MSMEs. Designing collaborative sustainability initiatives to support MSMEs. Collaboration is the key to empowering MSMEs, so there needs to be commitment and coordination between the various parties involved.

### **2.2 Effectiveness of MSME Production**

Production success for small businesses often depends on the company's ability to plan production needs well, as stated by (Kulkov, 2021). Good inventory management can avoid excess stock or shortages of raw materials. Choose production technology that is appropriate to the scale of MSMEs and the type of product produced so as to ensure that creative industry products meet the quality standards expected by customers (Singh, 2019). Ensure that MSME products meet the quality standards expected by customers. Product effectiveness ultimately provides training to employees to improve skills and work efficiency (Yao, *et.al.*, 2019). Motivated MSMEs have a positive impact on productivity and production quality (Kyal, *Et.al.*, 2022). Setting an efficient production schedule and minimizing unproductive time requires providing training to employees to improve skills and work efficiency (Ezugwu., 2019). Being motivated has a positive impact on productivity and production quality. Establish efficient production schedules and minimize unproductive time.

According to (Hegab, *et.al.*, 2023), integrating sustainable and environmentally friendly production practices means managing production waste effectively to reduce environmental impacts. Adapting production to changes in market demand or external conditions (Nezamova, & Olentsova., 2020). Each creative industry has unique characteristics, therefore, strategies to increase production effectiveness must be adapted to the specific conditions and needs of each business (Obrenovi, *et.al.*, 2020). Regular evaluation of these aspects will help MSMEs to continue to develop and increase their competitiveness in the market.

### **2.3 Performance of MSMEs Go International**

The success of MSMEs going international can be seen from their ability to diversify markets and reach consumers in various countries (Osano, 2019). An increase in sales and income from international markets is a positive indicator of creative industry performance (Games & Rendi., 2019). Performance needs to be monitored at the rate of sales growth from year to year so that it can be sustainable and develop partnerships with international partners in the supply or distribution chain (Manavalan &

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Jayakrishna., 2019). Evaluation of the performance of MSMEs that go international can be done through regular monitoring of indicators. These performance measurements help MSMEs to evaluate their international expansion strategies and make necessary adjustments to achieve success in the global market (Latifah, *et.al.*, 2021).

### 3. DATA ANALYSIS TECHNIQUES

The type of research used in this research is qualitative, where the researcher wants to know the effectiveness of the implementation of the service development program for partners of the Anjatta's group. Thus, through this qualitative research, we only attempt to describe the problems that exist in relation to the Effectiveness of Implementation of the Micro Entrepreneurs Development Program for the Anjatta's group. The stages in implementing this service research are:

#### 3.1 Stages

The process of implementing the community service program begins with observation and FGD, this is done to analyze the partner's situation and identify the problems faced by the partner. Once successfully identified, the next steps are developed to overcome the problem. Finally, an evaluation was carried out using direct observation and interviews, to see the progress achieved by this business group.

**Figure 1. Stages of Program Implementation**



#### 3.2 Observation and Focus Group Discussion

1. The first stage of this community partnership program began with observation activities with partners, namely the Bali Anjatta carving self-supporting entrepreneurs group. Observation activity is the process of observing and recording information about an object, situation or phenomenon systematically and thoroughly. Initial observations were made by looking at production activities in the self-supporting group. This observation aims to analyze the current situation regarding the group and identify the problems faced by the group.
2. After the observations were made, it continued with FGD. FGD is a method used to collect information directly from the Anjatta group as partners participating in the discussion. The main aim of this FGD is to explore the group's views, understanding and perceptions regarding the problems faced, so that problem identification can be carried out well and program preparation can be carried out appropriately. The FGD was carried out with the Anjatta group and its chairman, I Wayan Andika. In the FGDs carried out, a lot of information was obtained regarding the problems faced.

## 4. RESULTS AND DISCUSSION

### 4.1 University and Partner Collaboration

The Anjatta group provided valuable contributions, including partners providing FGD facilities, insight and direct experience about the challenges faced in their work as wood carvers, so that they could assist in the process of identifying problems and

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preparing programs to overcome the problems faced. In carrying out FGDs, partners participate in dialogue and discussions related to their faced problems. Each group member conveys perspectives, shares experiences, and provides input in designing effective and sustainable solution programs. Apart from that, partners also have an understanding of the market and demand related to products and services that are relevant to their activities. This knowledge provides valuable insight in planning business strategies and selecting products that suit market needs.

### 4.2 Economic and Social Impact on MSMEs

Based on the results of direct observations, it was found that the problems faced before the implementation of the program could be resolved, such as the amount of production starting to increase with the Anjatta group having a small wood saw that could be used by group members in turns. If previously the average production per member was only 5-6 carvings per week, after providing assistance with a chainsaw, members' production increased to 9 to 11 carvings per week depending on size. Apart from that, production also started to improve with the implementation of the parstock/parlevel system and the pattern of borrowing materials from fellow group members. There is no longer a shortage of production materials and the availability of raw materials can be managed well. With the service carried out, namely production management assistance, it is revealed that good production management will help in managing the inventory of production.

### 4.3 Strategy and Performance of MSMEs in International Markets

Based on observations and interviews at the evaluation stage, it was found that understanding was starting to grow regarding the importance of recording financial transactions and skills in recording transactions. Apart from that, group members can arrange operational costs to avoid losses. By knowing the financial condition of the business, it will determine whether the business needs to be maintained, stopped for a while or developed, in this way it is hoped that it will be able to strengthen existing MSMEs. Meanwhile, to be able to export, the Anjatta group has begun preparing the documents required for permits to ship abroad if necessary at any time and studying market trends through social media.

## 5. CONCLUSION

### 5.1 Conclusion

Community service activities for wood carvers have great potential to make a positive contribution to the development of this industry. In facing various obstacles, wood carvers can overcome these challenges through planned solutions and follow-up. Supporting factors such as creativity, community support and skills training are important capital to increase the competitiveness and sustainability of craftsmen's businesses. Through joint efforts between parties involved in this activity, wood carvers can improve product quality, expand marketing networks, and exploit the potential of digital marketing. Support from the government, training institutions and local communities is very necessary to create a conducive environment for the development of wood carvers.

### 5.2 Suggestions

Suggestions that can be given for this Community service activity are the development of a Product Catalog: Helping carvers create attractive and informative product catalogs to support marketing efforts. Collaboration with Local Designers: Collaborating with local designers to create wood carvings products that are innovative and in line with market trends. Participation in Exhibitions and Events: Encourage artisans to participate in arts and crafts exhibitions and events to increase their visibility. Periodic Monitoring and Evaluation: Conduct periodic evaluations to monitor progress, identify new problems, and adjust plans as necessary. By implementing these suggestions, it is hoped that community service activities for wood carvers can create a sustainable positive impact, provide added value for craftsmen, and enrich the local artistic and cultural heritage.

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